

TEACHERS' FUND FOR RETIREMENT
A Division of ND Retirement and Investment Office
Balance Sheet
As of 7/31/2004

9/7/2004

	As of <u>7-31-04</u>	As of <u>6-30-04</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 526,253,971	\$ 551,572,082
INTERNATIONAL EQUITIES	333,339,374	349,409,895
DOMESTIC FIXED INCOME	196,617,542	182,967,765
INTERNATIONAL FIXED INCOME	66,066,690	62,533,112
REAL ESTATE	109,065,638	108,794,052
VENTURE CAPITAL	61,213,569	60,138,622
INVESTED CASH (NOTE 1)	<u>31,526,499</u>	<u>39,971,282</u>
 TOTAL INVESTMENTS	 1,324,083,283	 1,355,386,810
 RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	5,847,512	6,145,079
CONTRIBUTIONS RECEIVABLE	578,277	6,354,427
MISCELLANEOUS RECEIVABLE	<u>0</u>	<u>256</u>
 TOTAL RECEIVABLES	 6,425,789	 12,499,762
 OTHER ASSETS		
OPERATING CASH (NOTE 2)	7,727,970	8,378,563
DUE FROM OTHER AGENCIES (NOTE 3)	<u>55,884</u>	<u>0</u>
 TOTAL ASSETS	 <u>\$ 1,338,292,926</u>	 <u>\$ 1,376,265,135</u>
 LIABILITIES:		
ACCOUNTS PAYABLE	1,198,118	1,198,117
ACCRUED EXPENSES	344,960	253,408
DUE TO OTHER AGENCIES (NOTE 4)	<u>0</u>	<u>133,933</u>
 TOTAL LIABILITIES	 1,543,078	 1,585,458
 NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	1,374,679,677	1,175,248,478
CASH IN DURING YEAR (NOTE 5)	14,570,000	130,189,850
CASH OUT DURING YEAR (NOTE 6)	14,570,000	130,189,850
NET INCREASE (DECREASE)	<u>(37,929,829)</u>	<u>199,431,199</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>1,336,749,848</u>	 <u>1,374,679,677</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 1,338,292,926</u>	 <u>\$ 1,376,265,135</u>

TEACHERS' FUND FOR RETIREMENT
A Division of ND Retirement and Investment Office
Profit and Loss Statement
For the Month Ended 7/31/2004

9/7/2004

	Month Ended <u>7-31-04</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 3,753,963	\$ 3,753,963
SECURITIES LENDING INCOME	70,880	70,880
	<u>3,824,843</u>	<u>3,824,843</u>
GAIN ON SALE OF INVESTMENTS	8,976,897	8,976,897
LOSS ON SALE OF INVESTMENTS	<u>9,001,760</u>	<u>9,001,760</u>
NET GAINS (LOSSES) INVESTMENTS	(24,863)	(24,863)
INVESTMENT EXPENSES	192,182	192,182
SECURITIES LENDING EXPENSES	46,065	46,065
SIB ADMINISTRATIVE EXPENSES	<u>8,918</u>	<u>8,918</u>
NET INVESTMENT INCOME	3,552,815	3,552,815
NET APPREC (DEPREC) MARKET VALUE	(35,352,764)	(35,352,764)
MISCELLANEOUS INCOME/(EXPENSE)	<u>5,835</u>	<u>5,835</u>
TOTAL INVESTMENT INCOME	(31,794,114)	(31,794,114)
CONTRIBUTIONS & ASSESSMENTS (NOTE 7)	713,561	713,561
PURCHASED SERVICE CREDIT (NOTE 8)	456,498	456,498
PENALTY & INTEREST (NOTE 9)	<u>145</u>	<u>145</u>
TOTAL ADDITIONS	<u>(30,623,910)</u>	<u>(30,623,910)</u>
DEDUCTIONS:		
BENEFITS PAID PARTICIPANTS (NOTE 10)	7,001,918	7,001,918
PARTIAL LUMP SUM BENEFITS PAID	115,717	115,717
REFUNDS TO MEMBER (NOTE 11)	<u>132,029</u>	<u>132,029</u>
TOTAL BENEFITS PAID	7,249,664	7,249,664
ADMINISTRATIVE EXPENSES		
RIO ADMINISTRATIVE CHARGE	56,255	56,255
MISCELLANEOUS EXPENSES	<u>0</u>	<u>0</u>
TOTAL ADMINISTRATIVE EXPENSES	<u>56,255</u>	<u>56,255</u>
TOTAL DEDUCTIONS	<u>7,305,919</u>	<u>7,305,919</u>
NET INCREASE (DECREASE)	<u>\$ (37,929,829)</u>	<u>\$ (37,929,829)</u>

TEACHERS' FUND FOR RETIREMENT
Notes To Financial Statements
July 31, 2004

9/7/2004

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 INVESTED CASH

Pension Cash Pool invested in the short-term investment fund (STIF/STEP) at The Northern Trust Company.

NOTE 2 OPERATING CASH

TFFR money market and checking accounts at the Bank of North Dakota.

NOTE 3 DUE FROM OTHER AGENCIES

Amounts paid in anticipation of the allocation of administrative expenses of RIO.

NOTE 4 DUE TO OTHER AGENCIES

Amounts owed to RIO for administrative and direct costs charged.

NOTE 5 CASH IN DURING YEAR

Cash transferred into investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 6 CASH OUT DURING YEAR

Cash transferred out of investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 7 CONTRIBUTIONS & ASSESSMENTS

Assessments on teachers' salaries of 7.75 percent of salary plus a matching contribution paid by the employer unit, for a total contribution and assessment of 15.5 percent that must be remitted monthly.

NOTE 8 PURCHASED SERVICE CREDIT

Payments received on the purchase of service credit for TFFR as allowed by the North Dakota Century Code.

TEACHERS' FUND FOR RETIREMENT
Notes to Financial Statements
7/31/2004

9/7/2004

NOTE 9

PENALTY & INTEREST

Amounts charged to school districts for late payment or reporting of contributions and assessments.

NOTE 10

BENEFITS PAID TO PARTICIPANTS

Monthly annuity benefits paid to retired teachers on the first of each month.

NOTE 11

REFUND TO MEMBERS

Refunds of teachers' accounts who have ceased teaching in North Dakota.